

GAO
25 Nov 86

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25 November 1986

MEMORANDUM FOR: THE RECORD

SUBJECT: General Accounting Office Briefing

1. On Tuesday, 25 November at 9:30 in room 7B02 Headquarters, Eileen Marek and Paul Bollea from the General Accounting Office were briefed by [] OGI, on the Libyan oil industry (see attached request).

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2. Bollea began by asking if GAO could obtain a copy of CIA's report, "Internationalization of the Petroleum Equipment Industry." The pub was authored by [] I told Bollea we could not provide a copy but that [] was ready to orally brief on the substance.

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3. [] briefed on the status of Libyan oil before the sanctions were imposed; the status of Libyan exports after the sanctions; how Libya has been able to weather the pull-out of U.S. companies; oil equipment provided by subsidiaries of U.S. companies; and the foreign oil equipment industry. The bottom line: It's hard to hurt the Libyans.

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4. [] provided GAO with unclassified papers showing OECD numbers by country. The notes taken by Bollea and Marek were couriered back to GAO.

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[]
Executive Officer
Office of Congressional Affairs

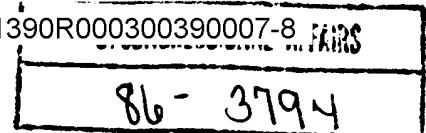
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Attachment: a/s

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The General Accounting Office is currently reviewing the development, implementation, and effectiveness of the Libyan trade sanctions program at the request of the Subcommittee on Oversight and Investigations, House Committee on Energy and Commerce. As part of this effort we are meeting with officials from major oil marketing and servicing companies and international oil industry analysts to obtain information on

--the movement of Libyan oil in world trade and how that movement was affected by the sanctions;

--the extent to which the Libyan oil industry was dependent on U.S. equipment, supplies, and services and where Libya has found new sources for those goods and services; and

--the extent of wireline logging in Libya, including the uniqueness of wireline logging equipment to U.S. sources.

We would like to meet with pertinent agency officials who would be able to discuss the issues cited above. We would also like to discuss, and obtain a copy of the report, "Internationalization of the Petroleum Equipment Industry" (GI-85-10164) published in July 1985.